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**FISCAL IMPACT STATEMENT**

**LS 7819**

**BILL NUMBER:** HB 1732

**NOTE PREPARED:** Jan 11, 2003

**BILL AMENDED:**

**SUBJECT:** School improvement plans.

**FIRST AUTHOR:** Rep. Smith V

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that a school may not be placed in the lowest category of school improvement unless the principal of the school has been: (1) given a plan of action for improvement that was developed by the department of education and approved by the school's governing body; and (2) allowed at least one school year to carry out the plan of action.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** The Department of Education could incur some additional expense in developing an action plan. The impact would depend on the number of schools placed in the lowest category of school improvement. The new accreditation system that uses the school's improvement and achievement plan begins with the 2005-06 school year. No schools have been sanctioned to date.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** Schools may incur additional expenses in carrying out the action plan developed by the Department of Education.

*Background:* If a school receives notice that it is placed in the lowest category or designation of improvement, then upon receiving the notice, the governing body will:

- (1) issue a public notice of the school's lack of improvement; and
- (2) hold a public hearing in which public testimony is received concerning the lack of improvement.

The Strategic and Continuous School Improvement Committee that developed the school's improvement plan

will revise the school's plan. A revision may include any of the following:

- (1) Shifting resources.
- (2) Changing personnel.
- (3) A request to the board to appoint an outside team to manage the school or assist in the development of a new plan.

If after five years the school is still in the lowest category or designation, then the school board will hold at least one public hearing in the school corporation where the school is located to consider and hear testimony concerning the following options for school improvement:

- (A) Merging the school with a nearby school that is in a higher category.
- (B) Assigning a special management team to operate all or part of the school.
- (C) The department's recommendations for improving the school.
- (D) Other options for school improvement expressed at the public hearing, including closing the school.
- (E) Revising the school's plan in any of the following areas:
  - (i) Changes in school procedures or operations.
  - (ii) Professional development.
  - (iii) Intervention for individual teachers or administrators.

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Education.

**Local Agencies Affected:** Local Schools.

**Information Sources:** Terry Spradlin, Department of Education 317-232-6671.

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